

GRAVESHAM BOROUGH COUNCIL

MEDIUM TERM FINANCIAL PLAN

	<u>Original</u> <u>2021-22</u> £	<u>Projected</u> <u>2021-22</u> £	<u>Projected</u> <u>2022-23</u> £	<u>Projected</u> <u>2023-24</u> £	<u>Projected</u> <u>2024-25</u> £	<u>Projected</u> <u>2025-26</u> £	<u>Projected</u> <u>2026-27</u> £	<u>Projected</u> <u>2027-28</u> £	<u>Projected</u> <u>2028-29</u> £	<u>Projected</u> <u>2029-30</u> £	<u>Projected</u> <u>2030-31</u> £
EXPENDITURE											
Employees											
Salaries (Gross)	12,266,490	12,225,760	11,961,850	12,070,870	12,312,320	12,558,570	12,809,760	13,066,000	13,327,310	13,593,860	13,937,980
Vacancy allowance	(350,000)	(600,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Salaries (Net)	11,916,490	11,625,760	11,611,850	11,720,870	11,962,320	12,208,570	12,459,760	12,716,000	12,977,310	13,243,860	13,587,980
Temporary Staff	408,500	408,500	416,160	423,960	431,910	440,030	448,310	456,770	465,390	474,190	486,040
Wages	160,130	160,130	104,410	246,490	108,620	110,790	113,000	255,250	117,550	119,910	122,910
Pension and National Insurance Contributions	3,184,500	3,190,480	3,146,570	3,171,890	3,235,330	3,300,110	3,366,110	3,433,370	3,502,060	3,572,070	3,662,520
Other (Training, Retirement Benefits, etc)	1,058,460	1,020,000	1,002,790	1,003,760	1,004,750	1,005,760	1,006,790	1,007,840	1,008,910	1,010,000	1,011,120
Running Expenses	15,027,670	15,694,130	10,740,910	10,861,280	10,867,330	10,958,490	11,084,010	11,281,660	11,460,010	11,595,070	11,681,580
Capital Financing	870,550	766,440	1,727,480	(191,540)	1,787,120	1,933,200	2,373,230	2,340,800	2,309,050	2,309,050	2,309,050
Net Housing Benefit Subsidy	(52,120)	(52,120)	14,870	64,790	101,450	127,810	146,230	158,570	158,570	158,570	158,570
Recharges to Other Accounts	(3,295,930)	(2,869,460)	(2,988,460)	(3,040,040)	(3,111,300)	(3,137,350)	(3,191,950)	(3,253,000)	(3,198,720)	(3,226,930)	(3,238,950)
Other Government Grants	(6,666,430)	(7,166,640)	(2,048,230)	(2,061,440)	(2,074,800)	(2,088,280)	(2,101,900)	(2,115,650)	(2,129,540)	(2,143,580)	(2,157,730)
Investment Income	(772,000)	(772,000)	(802,000)	(832,000)	(862,000)	(892,000)	(922,000)	(952,000)	(982,000)	(1,012,000)	(1,042,000)
Fees & Charges	(6,180,870)	(6,355,130)	(6,824,010)	(6,872,720)	(6,973,760)	(6,937,010)	(6,782,520)	(6,815,640)	(6,793,920)	(6,861,910)	(6,889,300)
Rental Income	(4,529,350)	(4,529,350)	(4,623,140)	(4,421,170)	(4,572,750)	(4,475,000)	(4,723,330)	(4,769,600)	(4,815,000)	(4,815,000)	(4,858,340)
APPROPRIATIONS											
Capital Items met from Balances and Reserves	1,724,980	2,965,920	807,000	692,000	757,000	642,000	600,000	757,000	212,000	132,000	132,000
Net Contribution to / (from) Reserves	(7,148,150)	(8,615,530)	(14,100)	(63,440)	165,160	347,880	511,100	60,450	667,580	746,130	746,130
Appropriation to / (from) Balances	311,050	311,050	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Parish Precepts	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160
BUDGET REQUIREMENT FOR THE YEAR	6,420,640	6,185,340	13,025,260	11,455,850	13,579,540	14,298,160	15,140,000	15,314,980	15,712,410	16,054,590	16,464,740
Business Rates Income	(3,565,940)	(3,565,940)	(3,272,500)	(3,305,230)	(3,338,280)	(3,371,660)	(3,405,370)	(3,439,430)	(3,473,810)	(3,508,550)	(3,543,640)
Residual Revenue Support Grant (RSG)	--	--	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710
New Homes Bonus	(311,050)	(311,050)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Lower Tier Services Grant	(126,260)	(126,260)	--	--	--	--	--	--	--	--	--
Council Tax Income	(7,333,580)	(7,333,580)	(7,525,110)	(7,721,820)	(7,923,410)	(8,130,320)	(8,342,620)	(8,560,390)	(8,784,060)	(9,013,350)	(9,248,720)
Parish Precepts	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)
Transfers to / (from) the Collection Fund	5,221,080	5,221,080	184,870	184,870	--	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £3.25m</i>	98,270	98,270	(1,903,070)	(104,220)	(1,808,400)	(2,286,730)	(2,325,280)	(350,000)	(350,000)	(350,000)	(350,000)
BUDGET SHORTFALL/(UNDERSPEND)	--	(235,300)	--	--	--	--	557,280	2,455,710	2,595,090	2,673,240	2,812,930
NEW SAVINGS PER ANNUM	--	--	--	--	--	--	557,280	1,898,430	139,380	78,150	139,690

Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year	2021-22 Original	2021-22 Projected	2022-23 Original	2023-24 Original	2024-25 Original	2025-26 Original	2026-27 Original	2027-28 Original	2028-29 Original	2029-30 Original	2030-31 Original
Working Balances B/Fwd (Exc. £2.0m min balance)	9,283,080	9,283,080	9,927,700	8,374,630	8,620,410	7,162,010	5,225,280	3,250,000	3,250,000	3,250,000	3,250,000
New Homes Bonus	311,050	311,050	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
<i>Usage of Excess Working Balances to support GF</i>	98,270	98,270	(1,903,070)	(104,220)	(1,808,400)	(2,286,730)	(2,325,280)	(350,000)	(350,000)	(350,000)	(350,000)
SUB-TOTAL (BEFORE SAVINGS REQUIREMENT)	9,692,400	9,692,400	8,374,630	8,620,410	7,162,010	5,225,280	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
(Shortfall)/Underspend Against Original Budget	-	235,300	-	-	-	-	(557,280)	(2,455,710)	(2,595,090)	(2,673,240)	(2,812,930)
Working Balances C/Fwd (Exc. £2.0m min balance)	9,692,400	9,927,700	8,374,630	8,620,410	7,162,010	5,225,280	2,692,720	237,010	(2,358,080)	(5,031,320)	(7,844,250)
Specific Reserves (as at end of year)											
Corporate Priorities Reserve	534,840	422,780	422,780	422,780	422,780	422,780	422,780	422,780	422,780	422,780	422,780
Asset Enhancement Reserve	1,163,200	403,190	403,190	423,190	523,190	623,190	723,190	823,190	923,190	1,023,190	1,123,190
Planning Policy Reserve	464,490	432,890	437,290	461,690	511,690	561,690	611,690	661,690	711,690	761,690	811,690
Leisure Centres Reserve	1,657,410	-	-	-	-	-	-	-	-	-	-
Decriminalisation (General)	228,460	-	-	-	-	-	-	-	-	-	-
Town Pier Pontoon Reserve	123,480	135,980	124,480	112,980	101,480	113,980	126,480	138,980	151,480	163,980	176,480
Elections Reserve	73,750	92,000	127,000	22,000	57,000	92,000	127,000	22,000	57,000	92,000	127,000
IT Infrastructure Reserve	370,950	181,460	186,460	211,460	181,460	191,460	266,460	196,460	206,460	256,460	306,460
DSO Fleet Vehicle Replacement Reserve	473,960	181,400	181,400	181,400	181,400	181,400	181,400	181,400	181,400	181,400	181,400
Waste Freighter Replacement Reserve	1,223,060	1,044,410	865,760	687,110	508,460	461,000	458,000	306,840	528,190	749,540	970,890
Business Rates Collection Fund Equalisation Reserve	5,075,100	668,760	668,760	668,760	668,760	668,760	668,760	668,760	668,760	668,760	668,760
Growth Fund Reserve	374,910	225,130	225,130	225,130	225,130	225,130	225,130	225,130	225,130	225,130	225,130
Lower Thames Crossing Reserve	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Service Review Reserve	83,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Playgrounds Reserve	135,530	44,410	58,160	46,910	20,660	19,410	20,160	33,910	62,660	131,410	200,160
Woodville Repairs Reserve	239,820	297,070	354,320	411,570	468,820	526,070	583,320	640,570	697,820	755,070	812,320
Commercial Income Protection Reserve	1,146,620	1,132,340	1,146,410	1,116,120	1,138,850	1,124,190	1,161,440	1,168,380	1,175,190	1,175,190	1,175,190
Investment Interest Equalisation Reserve	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
St George's Centre Income Protection Reserve	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920	1,239,920
Housing & Commercial Growth Fund Reserve	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Climate Change Reserve	484,860	456,620	456,620	456,620	456,620	456,620	456,620	456,620	456,620	456,620	456,620
Enterprise Zone Reserve	151,340	172,850	319,430	466,030	612,610	759,110	905,460	1,051,630	1,197,550	1,348,830	1,500,110
TOTAL BALANCES & RESERVES	15,412,500	18,443,240	16,976,070	17,158,410	15,865,170	14,276,320	12,254,860	9,859,600	7,932,090	6,004,980	3,938,180
NB: ADDT. MINIMUM WORKING BALANCES	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,001

KEY ITEMS INCLUDED WITHIN THIS VERSION OF THE PLAN

Council Tax increases of 2% projected annually from 2021/22 onwards. Council Tax Base incorporates forecast growth of 0.60% annually from 2021/22 onwards.

No general pay award budgeted for 2021-22 (except rise of at least £250 for those earning under £24k) - in line with Spending Review announcements.

Negative RSG removed for 2021-22 as per Spending Review. NHB Scheme payments updated for 2021-22 and flatlined thereafter pending the outcome of long term funding reforms.

General Fund minimum working balance set at £2m, with General Reserve balance set at £3.25m.

Borrowing/interest costs associated with the Charter Development (through Rosherville Limited) - the Council will incur these costs in the first 3-4 years of the scheme, with repayment expected in 2023/24.